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Remarks

I. Introduction

Claims 12-18 are presented for examination. Claims 1-11 have been canceled, and claims 12-18 have been added. No new matter has been added.

II. Amendments to the Specification

Applicant has amended portions of pages 3-4 of the specification to add the ATCC deposit number.

III. Claim Rejections - 35 U.S.C. § 112, Second Paragraph

Claims 1-11 were rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which Applicant regards as the invention with respect to the following:

- a. The statement in claim 1 that "the PLD enzyme is of the genus *Streptomyces*"; and
- b. Missing information pertaining to the strain.

Claims 1-11 have been canceled, thus rendering this ground of rejection moot.

IV. Double Patenting

Claims 1-11 were rejected under the judicially created doctrine of double patenting over claims of U.S. Patent No. 6,878,532. Applicant is hereby submitting a terminal disclaimer, thus rendering this ground of rejection moot.

V. 35 U.S.C. 102(b)/103(a) Rejections

Claims 1-11 were rejected under 35 U.S.C. 102(b) as being anticipated by Kokusho et al., U.S. Pat. No. 4,783,402. In this respect, the Examiner states that Kokusho teaches the

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production of exchanging a base for production of phospholipids which includes phosphatidylserine formed by a reaction of a PLD enzyme in the presence of an alcohol in a solvent. In the alternative, the Examiner states that claims 1-3 and 5-27 are obvious over Kokusho et al. further in view of Yamane et al., U.S. Pat. No. 6,660,504, or Kirschner et al., U.S. Pat. No. 6,635,456.

Claims 1-11 have now been canceled. New claim 12 is directed to Applicant's method of exchanging the base of a phospholipid that includes Applicant's recycling method which allows for reuse of enzyme. (See pp. 8-9 of the specification). Since the prior art of record does not disclose such a recycling step, new claims 12-16 and 18 are not anticipated or rendered obvious by these references.

Claims 17-18 are directed to Applicant's method of exchanging the base of a phospholipid which includes Applicant's novel *Streptomyces cinnamoneum* strain. Since the prior art of record does not teach or disclose Applicant's method using this novel strain, claims 17 and 18 are not anticipated by Kokusho. Claims 17 and 18 are also not rendered obvious over Kokusho et al. and further in view of Yamane et al. or Kirschner et al. In this respect, there is absolutely no teaching or suggestion in the references of record, even in combination, to form alcohol derivatives of phospholipids using Applicant's novel strain. As described in the specification on pages 4 and 9, Applicant's unique organism provides superior results in terms of growth and enzyme characteristics. Such superior results would not have been expected in view of the teachings of the art at the time the application was filed.

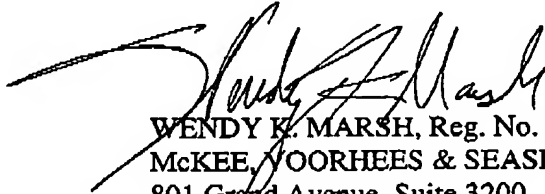
VI. Conclusion

It is believed the application is in a *prima facie* condition for allowance. Allowance is therefore respectfully requested.

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It is not believed any fees or extensions of time are due in connection with this amendment; however, consider this a request for any extension inadvertently omitted, and charge any additional fees to Deposit Account No. 26-0084.

Respectfully submitted,



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